

FISCAL NOTE WORKSHEET (Revised Nov. 2006)

Agency: Utah State Office of Education
Ben Leishman
 Requested By

Bill Number SB60

Office of the Legislative Fiscal Analyst
 W310 State Capitol Complex
 Salt Lake City, UT 84114-5310
 538-1034 / Fax 538-1692

Fax/Electronic Mail Transmittal

Date: January 24, 2007
 Name: Ben Leishman
 Fax Number: _____

Please return to Fiscal Analyst by: January 24, 2007

TITLE OF BILL: UNIFORM PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS

This Bill Takes Effect: ☐ On Passage ☐ On July 1 ☒ 60 Days after session ☐ Other _____

Bill Carries Own Appropriation: ☐

FISCAL IMPACT OF PROPOSED LEGISLATION

| A. Revenue Impact by Source of Funds: | First Year | Second Year |
|--|-------------------|--------------------|
| 1. General Fund | | |
| 2. Uniform School Fund - Free Revenue | | |
| 3. Transportation Fund | | |
| 4. Collections | | |
| 5. Other Funds (List Below) | | |
| | | |
| | | |
| 6 Local Funds | | |
| 7. TOTAL | \$0 | |

| B. Expenditure Impact by Source of Funds: | | |
|--|------------|--|
| 1. General Funds | | |
| 2. Uniform School Fund - Free Revenue | | |
| 3. Transportation Fund | | |
| 4. Collections | | |
| 5. Other Funds (List Below) | | |
| | | |
| | | |
| 6 Local Funds | | |
| 7. TOTAL | \$0 | |

| C. Expenditure Impact Summary: | | |
|---------------------------------------|------------|--|
| 1. Salaries, Wages and Benefits | | |
| 2. Travel | | |
| 3. Current Expenses | | |
| 4. Capital Outlay | | |
| 5. Other (Specify) | | |
| 6. TOTAL | \$0 | |

D. Impact in Future Years?

If no fiscal impact in first two years, indicate if there will be any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years. (Use back side, if necessary.)
There should not be any fiscal impact with the implementation of this bill.

Cathy Dudley MSP Budget and Property Tax Specialist 538-7667 January 24,
 Prepared By Title Agency USOE Phone No. Date
 Bill Number: SB60 Bill Title: Uniform Prudent Management of Institutional Funds

E. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

F. Expenditure Impact Details (Ties to totals in Section C)

List and document methodology and/or assumptions used in determining need for workload and cost increase.
List number, type, and step ranges of personnel required, including benefits.
List details of other impacted expenditure categories as shown in Section C.
List additional space requirements and cost associated with requirements of this bill.
(USE ATTACHMENTS IF NECESSARY.)

G. No Fiscal Impact or Will Not Require Additional Appropriations?

This legislation moves the Uniform Management of Institutional Funds Act from the Commerce and Trade section of the Utah Code to the Public Funds and Accounts section of the Utah Code as the Uniform Prudent Management of Institutional Funds Act. This bill updates the language and incorporates additional provisions to ensure that those individuals managing and investing for an institutional fund consider the charitable purpose of the institution and the purposes of that institutional fund. The additional provisions also ensure compliance with the duty of loyalty imposed by law that each person responsible managing and investing an institutional fund shall manage and invest that fund in good faith and with the care an ordinarily prudent person would exercise under similar circumstances. Those provisions could be handled within existing budget.

Each school district has a yearly audit from an independent auditor. When the state auditor audits higher education institutions, an audit of the investment funds is included.

H. If Bill Carries It's Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.
Are there future additional costs anticipated beyond the appropriation in the bill?

I. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.
Indicate costs or savings that are **DIRECT and MEASURABLE**. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)
Local School Districts/Charter Schools :

Businesses and Associations :

Individuals :

Narrative Description of Bill : *This bill moves the Uniform Management of Institutional Funds Act from the Commerce and Trade section of the Utah code to the Public Funds and Accounts section of the Utah Code as the Uniform Prudent Management of Institutional Funds Act. This bill establishes standards and criteria for management of certain charitable funds held by certain institutions.*

This is a draft fiscal note response from the Utah State Office of Education (USOE) and may be revised in the future.

This fiscal note input draft does not imply endorsement of this bill by the State Board of Education or USOE.

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